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February 3, 2012

### VIA HAND DELIVERY

Jeff DeRouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RECEIVED

FEB 03 2012

PUBLIC SERVICE COMMISSION

RE: An Examination by the Public Service Commission of the Environmental

Surcharge Mechanism of Kentucky Utilities Company for the Two-Year Billing

Period Ending April 30, 2011

Case No. 2011-00231

Dear Mr. DeRouen:

Enclosed please find, for filing, the original and ten copies of Kentucky Utilities Company's Motion to Correct Order in the above-reference matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me via our office courier.

Should you have any questions regarding this filing, please contact me.

Yours very truly,

Kendrick R. Riggs

KRR:ec Enclosures

cc: Michael L. Kurtz (w/ enclosure)

400001.125957/788316.1

#### COMMONWEALTH OF KENTUCKY

#### BEFORE THE PUBLIC SERVICE COMMISSION

#### In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE	)
COMMISSION OF THE ENVIRONMENTAL	)
SURCHARGE MECHANISM OF KENTUCKY	) CASE NO. 2011-00231
UTILITIES COMPANY FOR THE TWO-YEAR	)
BILLING PERIOD ENDING APRIL 30, 2011	, )

# KENTUCKY UTILITIES COMPANY'S MOTION TO CORRECT ORDER

Kentucky Utilities Company ("KU"), by counsel, hereby respectfully moves the Public Service Commission ("Commission") to issue an Order *nunc pro tunc* correcting its January 31, 2012 Order ("Final Order") in this proceeding. The Final Order approved, among other items, the proposed allocation methodology previously approved on December 15, 2011 by the Commission of the Settlement Agreement in Case No. 2011-00161. Every incorporation or "roll-in" of Environmental Cost Recovery ("ECR") revenues requires the consistent allocation of both the incremental ECR amount to be rolled-into base rates and the existing amount of ECR revenues embedded in base rates. KU, consistent with the terms of the Commission-approved Settlement Agreement in Case No. 2011-00161, proposed to allocate both the incremental ECR amount to be rolled-into base rates and the existing amount of ECR revenues embedded in base rates. Exhibit 1 to KU's January 5, 2012 Supplemental Information Filing in this proceeding contained detailed information concerning the roll-in amounts. The following table summarizes this information:

	Incremental ECR Roll-In Amount	ECR Amount Embedded in Base Rates	Total ECR Amount to be allocated under Settlement Methodology
KU	\$49,410,832	\$112,003,141	\$161,413,973

Page 4 of the Final Order, under the heading <u>Allocation of Roll-In</u>, contains a sentence that describes the total amount to be allocated, but inadvertently uses only the incremental amount:

The \$49,410,832 total roll-in was allocated between the two groups based on the percentage of each group's total revenue, excluding base environmental surcharge revenue, to KU's total revenue, excluding base environmental surcharge revenue.

The total roll-in amount for KU is \$161,413,973. The same typographical error subsequently appears in the Final Order at page 5 in the same section (Allocation of Roll-In) wherein the incremental amount is inadvertently used to describe the total amount.

Finally, ordering paragraph number 3, at page 7 of the Final Order, inadvertently omits the word "total" from the second sentence when describing the total amount of the roll-in to be allocated in accordance with the Settlement Agreement:

3. KU shall roll into its existing base rates \$49,410,832 in environmental surcharge amounts found to be just and reasonable herein. The roll-in shall be allocated to the customer classes as described in the Settlement Agreement approved in Case No. 2011-00161.

The typographical omission should be corrected by inserting the word "total" between the words "[t]he" and "roll-in" to read: "The *total* roll-in shall be allocated to the customer classes as described in the Settlement Agreement approved in Case No. 2011-00161."

WHEREFORE, Kentucky Utilities Company respectfully requests the Commission to issue an order *nunc pro tunc* correcting these clerical errors at the Commission's earliest convenience.

Dated: February 3, 2012 Respectfully submitted,

Kendrick R. Riggs
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Counsel for Kentucky Utilities Company

## **CERTIFICATE OF SERVICE**

This is to certify that the above and foregoing Motion has been served by mailing a copy of the same by United States mail, postage prepaid, to the following persons on the 3rd day of February 2012:

Michael L. Kurtz Kurt J. Boehm Jody M. Kyler Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, OH 45202

Counsel for Kentucky Utilities Company